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March 27, 2019

Marlene Dortch, Secretary Federal Communications Commission Wireline Competition Bureau - CPD - 214 Apps 445 12th Street, SW Washington, DC 20554

> Joint Application of CMC Telecom, Inc. and CMC Telecom and Internet, Inc. for Re: Approval of the Assignment of Domestic and International Section 214 Licenses

Dear Sir or Madam:

Pursuant to Section 214 of the Communications Act, as amended, and Sections 63.04 and 63.24 of the Commission's rules, CMC Telecom, Inc. ("CMC") and CMC Telecom and Internet, Inc. ("CMCTI")(collectively "Joint Applicants"), hereby submit the attached Joint Application for authority to assign and transfer the Section 214 Licenses, assets and customers held by CMC to CMCTI.

Should you have any questions concerning this filing, please contact the undersigned.

Very truly yours,

CROCKER & CROCKER

Patrick D. Crocker

PDC/tlb

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of the Joint Application of)
CMC Telecom, Inc Debtor in Possession,)
Transferor) WC Docket No
and)
CMC Telecom and Internet, Inc.) IB File No
Transferee)
Pursuant to Section 214 of the	3
Communications Act of 1934, as amended,	ń
for Approval of the Assignment of the Domestic)
and International Section 214 Licenses of)
CMC Telecom, IncDebtor in Possession,)
To CMC Telecom and Internet, Inc.)
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JOINT APPLICATION

CMC Telecom, Inc.-Debtor in Possession ("CMC DIP") and CMC Telecom and Internet, Inc. ("CMCTI")(collectively "Joint Applicants") hereby request, pursuant to § 214 of the Communications Act of 1934, as amended, 47 USC 214, and §§ 63.04 and 63.24 of the Federal Communications Commission's ("Commission") Rules, 47 CFR 63.04 and 63.24, approval of domestic and international § 214 authorization for the transfer of the Section 214 licenses held by CMC DIP to CMCTI. Information addressing the requirements of Commission Rule 63.04(a)(6) through (12) (47 CFR 63.04(a)(6) through (12)), is set forth in Attachment A to this Joint Application.

I. INTRODUCTION AND SUMMARY OF TRANSACTION

A. The Joint Applicants

CMC Telecom, Inc.-Debtor in Possession

CMC Telecom, Inc.-Debtor in Possession ("CMC DIP") (FRN: 0009881301) is a privately-held Michigan corporation located at 107 W Michigan Ave, 4th Floor, Kalamazoo, MI 49007. A summary of the services provided by CMC DIP is set forth in Attachment A.

CMC Telecom and Internet, Inc.

CMC Telecom and Internet, Inc. ("CMCTI") (FRN: 0027887603) is a privately held Michigan corporation located at 107 W Michigan Ave. 4th Floor, Kalamazoo, MI 49007. CMCTI is owned by Easton Telecom Services, LLC and NRC Runoff, LLC. A summary of the services provided by CMCTI is set forth in Attachment A.

B. Summary of Transaction

On July 2, 2015, CMC Telecom, Inc. filed a voluntary Chapter 11 bankruptcy petition under Title II of the United States Code in the United States Bankruptcy Court for the Eastern District of Michigan ("Bankruptcy Court"). Accordingly, CMC DIP is presently operating as a debtor-in-possession under the Bankruptcy Court's oversight.

NRC Runoff, LLC ("Manager" or "NRC") and CMC Telecom, Inc. as a Chapter 11 Debtor-in-Possession, Eastern District of Michigan, Southern Division, bankruptcy case no. 15-50082 ("Company") made and entered into a Management Agreement under which NRC Runoff, LLC, as Manager, was appointed to manage the Business on behalf of the Company.

NRC Runoff, LLC and CMC Telecom, Inc. Debtor-in-Possession entered into an Asset Purchase Agreement whereby NRC would purchase from CMC DIP, including but not limited to, the following: (a) all customers, services equipment, contracts, leases, circuits, collocations; and

(b) all PUC/PSC/FCC licenses, CPCNs and tariffs authorizing CMC DIP to conduct telecommunications services business.

On September 28, 2017 a Motion for Sale of Property under Section 363(b) by Private Sale was filed by Bankruptcy Trustee Samuel D. Sweet. On October 10, 2017 the Bankruptcy Court issued an Order Granting Trustee's Motion for Authority to Sell Assets by Private Sale Free and Clear of All Liens and Encumbrances with, if any, Attaching to the Proceeds of Sale Pursuant to 11 U.S.C. 363.

By this Application, pursuant to 47 CFR 63.24, Joint Applicants are seeking approval from the Commission for approval for the tramsfer of the Section 214 Authorizations from CMC DIP to CMCTI. If approved, CMCTI represents that it will continue to provide high quality, affordable services that are uniquely tailored to the needs of existing and prospective customers. If this Joint Application is approved, CMCTI represents that there will be no adverse effect on CMCTI's ability to serve existing customers of CMC DIP. Joint Applicants submit that granting this Joint Application is in the public interest.

II. <u>INFORMATION REQUIRED BY § 63.18 OF THE COMMISSION'S RULES</u> (SECTION 63.24(e) INFORMATION)

As required by 47 CFR 63.24(e)(2), this Joint Application provides the information required under 47 CFR 63.18(a) through (d) for both the transferor and the transferees, and the information required in 47 CFR 63.18(h) through (p) only for the transferees (for international transfer of control). Pursuant to 47 CFR 63.04(b), additional information required by 47 CFR 63.04(a)(6) through (12) of the Commission's Rules (for domestic transfer of control) is contained in Attachment A, hereto.

(a) Name, addresses, and telephone number of each Applicant:

<u>Transferor</u> FRN: 0009881301

CMC Telecom, Inc.-Debtor in Possession 0021424346

107 W Michigan Ave, 4th Floor

Kalamazoo, MI 49007 Phone: (269) 381-8893

Transferee FRN: 0027887603

CMC Telecom and Internet, Inc. 107 W Michigan Ave, 4th Floor Kalamazoo, MI 49007 Phone: (269) 381-8893

(b) Government, state, or territory under the laws of which each corporate or partnership applicant is organized.

CMC DIP is a corporation organized under the laws of the State of Michigan. CMCTI

is organized under the laws of the State of Michigan.

(c) The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the Application is to be addressed:

For Transferor and Transferee:

Patrick D. Crocker, Attorney Crocker & Crocker 107 W Michigan Ave, 4th Floor Kalamazoo, MI 49007 Phone: (269) 381-8893 patrick@crockerlawfirm.com

(d) A statement as to whether the Applicant has previously received authority under Section 214 of the Act and, if so, a general description of the categories of facilities and services authorized (i.e. authorized to provide international switched services on a facilities basis)

CMC DIP holds authority to provide global or limited global resale services under File No. ITC-214-20000421-00229. CMC DIP also holds blanket domestic operating authority. CMC DIP does not intend to retain these authorizations.

CMCTI does not currently hold international or domestic § 214 authority, but is requesting the assignment of CMC DIP's authorities with this application.

(h) The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent of the equity of the transferee, and the percentage of equity owned by each of those entities (to the nearest one percent)

The following entities owns 10% or more of the equity of CMCTI:

Name: NRC Runoff, LLC

Address: 107 W Michigan Ave, 4th Floor

Kalamazoo, MI 49007

Citizenship: United States

Principal Business: Telecommunications

Percent Equity: 49%

Name: Easton Telecom Services, LLC Address: 3046 Brecksville Road #A

Richfield, OH 44286

Citizenship: United States

Principal Business: Telecommunications

Percent Equity: 51%

No other person or entity holds more than 10% direct or indirect equity of CMCTI.

The following individual owns 10% or more of the equity of NRC Runoff, LLC.

Name: Krista K. Crocker

Address: 107 W Michigan Ave, 4th Floor

Kalamazoo, MI 49007

Citizenship: United States

Principal Business: Telecommunications Management

Percent Equity: 100%

No other person or entity holds more than 10% direct or indirect equity of NRC Runoff.

The following individuals own 10% or more direct or indirect equity of Easton Telecom Services, LLC.

Name:

Robert E. Mocas

Address:

3046 Brecksville Road #A

Richfield, OH 44286

Citizenship:

United States

Principal Business:

Telecommunications

Percent Equity:

50%

Name:

Heidi H. Mocas

Address:

3046 Brecksville Road #A

Richfield, OH 44286

Citizenship:

United States

Principal Business:

Telecommunications

Percent Equity:

50%

No other person or entity holds more than 10% direct or indirect equity of Easton Telecom Services, LLC.

(i) A certification as to whether or not the transferee is, or is affiliated with, a foreign carrier. The certification shall state with specificity each foreign country in which the applicant is, or is affiliated with, a foreign carrier.

As evidenced by the certification attached to this Application, CMCTI certifies that it does not have any affiliation with a foreign carrier. CMCTI will not become affiliated with any foreign carrier as a result of the transfer of ownership/control.

(j) Foreign carrier and destination countries.

As evidenced by the certification attached to this Application, CMCTI certifies that neither it, nor any affiliate, seeks to provide international telecommunications services to any destination country for which any of the statements in §§ 63.18 (j)(1)-(4), inclusive, of the Commission's Rules (47 CFR § 63.18(j)(1)-(4), inclusive) is true.

- (k) Not applicable.
- (I) Not applicable.
- (m) Not applicable.

(n) Certification that the transferee has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

As evidenced by the certification attached to this Application, CMCTI certifies that neither it, nor any affiliate has agreed, and will not agree in the future, to accept any direct or indirect special concessions, from a foreign carrier where the foreign carrier possesses market power on the end of the route and will not enter into any agreements in the future.

(o) Certification pursuant to 47 CFR 1.2001 through 1.2003 that no party to the Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

As evidenced by the certification attached to this Application, CMCTI certifies, pursuant to 47 CFR 1.2001 through 1.2003, that no party to the Joint Application, is subject to a denial of Federal benefits pursuant to §5301 of the Anti-Drug Abuse Act of 1988.

(p) A statement as to how the Application fits into one or more of the presumptive streamlines categories in this section or why it is otherwise appropriate for streamlined treatment.

This Application is eligible for streamlined processing under § 63.12 of the Commission's Rules, 47 CFR § 63.12, because none of the exceptions to streamlined processing specified in (1) through (3) of § 63.12(c) applies.

III. PUBLIC INTEREST STATEMENT

The transaction described herein serves the public interest, convenience and necessity. CMC DIP used state-of-art technology to meet their customers' sophisticated communications needs. CMCTI will continue to provide high quality telecommunications services to both existing customers of CMC DIP and prospective customers. The transaction has no adverse impact on customers, and will not trigger any rate increases. As the Joint Applicants are relatively small

entities, the transaction has not and should not lead to the concentration of any market share, nor will it present any anticompetitive issues, or eliminate a competitor. If this Application is granted, CMCTI will continue to provide services to CMC DIP's customers without change or interruption, and the transfer of control will have no impact on their customers. As such, Joint Applicants submit that granting this Joint Application is in the public interest.

V. <u>CONCLUSION</u>

As demonstrated in this Joint Application, Joint Applicants submit that the public interest, convenience, and necessity would be furthered by the grant of this Application.

CMC TELECOM AND INTERNET, INC. CMC TELECOM, INC. – DEBTOR IN POSSESSION

Patrick D. Crocker

Crocker & Crocker

107 W Michigan Ave, 4th Floor

Kalamazoo, MI 49007

(269) 381-8893

patrick@crockerlawfirm.com Attorneys for Joint Applicants

Dated: 3 25/19

ATTACHMENTS:

Certification of Transferor

Certification of Transferee

Attachment A-Information required by 47 CFR § 63.04

CERTIFICATION OF TRANSFEROR

I hereby certify that the statement of facts in the foregoing Joint Application relating to and on behalf of CMC Telecom, Inc. – *Debtor in Possession* are true, complete and correct to the best of my knowledge and are made in good faith. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

CMC Telecom, Inc. - Debtor in Possession

By:

Krista K. Crocker

Managing Member of NRC Runoff, LLC

Manager of CMC Telecom, Inc.

Debtor in Possession

Date: 3/25/19

CERTIFICATION OF TRANSFEREE

I hereby certify that the statements in the foregoing Joint Application on behalf of CMC Telecom and Internet, Inc. are true, complete, and correct to the best of my knowledge and are made in good faith. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

I declare under penalty of perjury under the laws of the United States that neither CMC Telecom and Internet, Inc., nor any affiliate has agreed, or will agree in the future, to accept any direct or indirect special concessions, as defined by 47 CFR § 63.14(b), from a foreign carrier or administration with regards to traffic or revenue flows between the United States and any foreign countries they are authorized to service.

I certify under penalty of perjury under the laws of the United States that pursuant to 47 CFR § 1.2001 through § 1.2003, CMC Telecom and Internet, Inc. and its affiliates are not subject to denial of Federal benefits pursuant to § 5301 of the Anti-Drug Abuse Act of 1988.

I certify that neither CMC Telecom and Internet, Inc. nor its affiliates has any affiliation with a foreign carrier. Further, neither CMC Telecom and Internet, Inc., nor its affiliates will become affiliates with any foreign carrier as a result of the assignment of the 214 license to CMC Telecom and Internet, Inc.

I certify that CMC Telecom and Internet, Inc., does not, directly or through any affiliate, seek to provide international telecommunications services to any destination where: (1) CMC Telecom and Internet, Inc. is a foreign carrier in that country; or (2) controls a foreign carrier in that country; or (3) any entity that owns more than 25% of CMC Telecom and Internet, Inc. controls a foreign carrier in that country; or two or more foreign carriers (or parties that control

foreign carriers) own, in the aggregate, more than 25% of CMC Telecom and Internet, Inc. and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

CMC Telecom and Internet, Inc.

By:

Krista K, Crocker, President

Date:

Attachment A

(Responses to 47 CFR §63.04(a)(6) through (a)(12))

(6) A description of the transaction-§63.04(a)(6).

See Section I.B. ("Summary of Transaction") of the Joint Application.

- (7) A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area- § 63.04(a)(7).
 - A. CMC Telecom, Inc. Debtor in Possession

CMC DIP provides competitive local exchange services and toll resale services throughout the State of Michigan

B. CMC Telecom and Internet, Inc.

CMCTI does not currently provide telecommunications services, but will provide all services currently offered by CMC DIP.

(8) A statement as to how the Application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment-- §§ 63.04(a)(8).

With respect to domestic authority, this Joint Application fits into all the presumptive streamlined categories outlined in § 63.03(b).

(9) Identification of all other Commission Applications related to the same transaction-§§ 63.04(a)(9).

Through this Joint Application, Joint Applicants are seeking authority with respect to both international and domestic Section 214 authorizations (this Joint Application is being separately and concurrently flied with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 CFR Section 63.04(b)).

(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure--§§ 63.04(a)(10).

The Joint Applicants are requesting special consideration of this Joint Application, as the approval for transfer sought is part of the bankruptcy proceedings discussed herein.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction-§§ 63.04(a)(ll).

As of the date of the filing of this Joint Application, no separate waiver request has been sought in conjunction with the transaction.

(12) A statement showing how grant of the Application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets-§§ 63.04(a)(12).

See Section III ("Public Interest Statement") in the Joint Application.